



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

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September 25, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

### **USE OF ADDITIONAL FISCAL YEAR (FY) 2006-07 GENERAL FUND, HOSPITAL ENTERPRISE AND SPECIAL FUNDS/DISTRICTS' FUND BALANCE IN FY 2007-08 COUNTY BUDGET (ALL DISTRICTS) (4 VOTES)**

#### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve the attached recommended changes and corresponding appropriation adjustments (Budget Adjustment Nos. 1 - 121) to the FY 2007-08 General County Budget. These changes transfer \$365.0 million from the Appropriation for Contingencies to various budgets; increase appropriation that is fully offset by revenue; and transfer appropriation from one budget unit to another or redirect existing appropriation or revenue as a result of ministerial changes;
2. Approve the attached recommended changes and corresponding appropriation adjustments (Budget Adjustment Nos. 122 - 149) to the FY 2007-08 Special Funds/Special Districts Budget, which are fully offset with various financing sources; and
3. Authorize the Chief Executive Office (CEO) to execute a grant agreement with the National Park Services in order to transfer funding from the Project and Facility Development Budget for acquisition of open space in Upper Solstice Canyon.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended actions are necessary to budget the actual FY 2007-08 fund balances and the use of additional one-time funds, to further refine the estimates contained in the FY 2007-08 Adopted Budget, to provide sufficient appropriation to implement programs or changes in revenues, to make miscellaneous adjustments with various funds and to make adjustments for State budget changes. These adjustments could not be made prior to the adoption of the FY 2007-08 budget since the actual FY 2006-07 fund balances and funds to be carried over to FY 2007-08 were not known and more recent information has become available.

Approval of the recommended actions will authorize the Chief Executive Officer to execute a funding agreement to transfer funding from the Project and Facility Development Budget to the National Park Service for the acquisition of open space in Upper Solstice Canyon.

### **Implementation of Strategic Plan Goals**

These actions support the County of Los Angeles (County) Strategic Plan Goal of Fiscal Responsibility.

### **FISCAL IMPACT/FINANCING**

#### **GENERAL FUND/HOSPITAL ENTERPRISE FUNDS**

The FY 2006-07 General Fund Budget ended the year with a \$1.7 billion fund balance, of which \$1.3 billion was committed as fund balance in the FY 2007-08 Adopted Budget. This leaves the General Fund with an additional fund balance of \$365.0 million. Upon approval of the Board of Supervisors (Board), the Auditor-Controller will allocate the additional fund balance of \$365.0 million to the Appropriation for Contingencies. This additional fund balance is comprised of \$74.8 million needed as carryover for projects and programs not yet completed in FY 2006-07 that were not included in the FY 2007-08 Adopted Budget (Carryover Fund Balance) and \$290.2 million that is available for one-time use (Available Fund Balance). There is no change in the fund balance for the Hospital Enterprise Fund.

**Carryover Fund Balance - \$74.8 Million Net Cost**

As referenced above, we are recommending that \$74.8 million in Carryover Fund Balance be incorporated into the FY 2007-08 Final Adopted Budget. Since these adjustments are financed with fund balance, they are one-time in nature. Listed below are some of the major recommendations:

- **Capital Projects** - A net increase of \$45.5 million in carryover adjustments to various capital projects to account for lower than anticipated expenditures in FY 2006-07 and the allocation of departmental savings including: \$0.8 million for Public Works Building and Safety office site improvements; \$0.6 million for Public Library's modular building; \$0.5 million for various Library Americans with Disabilities Act refurbishments; \$1.7 million for County Counsel's 6<sup>th</sup> Floor office refurbishment; and \$0.9 million for construction of the Assessor's 2<sup>nd</sup> Floor server room in the Kenneth Hahn Hall of Administration.
- **Extraordinary Maintenance** - A net increase of \$3.5 million in carryover adjustments to account for lower than anticipated expenditures in FY 2006-07.
- **Project and Facility Development** - A net decrease of \$26.5 million in carryover adjustments to reflect the transfer of appropriation for the LAC+USC Medical Center Replacement Project to the LAC+USC Medical Center Replacement Fund and to account for higher than expected expenditures in FY 2006-07.
- **Homeless Prevention Initiatives** - Carryover of \$22.7 million in unspent homeless prevention initiatives for various departments.
- **Public Library** - \$8.6 million carryover to provide one-time funding for various capital projects (\$1.4 million), \$3.3 million to be set aside in Provisional Financing Uses for future library projects and transfer \$3.9 million to the Library in one-time funding for various projects.
- **Community Programs** - To set aside \$5.5 million in the Provisional Financing Uses budget unit for Board priority projects and programs.
- **District Attorney** - To provide one-time funding of \$2.4 million to finance the digital archive case backlog, an Airport Courthouse remodel and the purchase of additional workstations.
- **Probation Department** - To provide one-time funding of \$2.5 million for the purchase of additional vehicles and safety equipment.

- **Treasurer and Tax Collector** - To supplement the Designation for Treasurer and Tax Collector Warehouse by \$3.4 million that will be used to purchase a warehouse for the Public Administrator/Public Guardian to replace ongoing rental space.
- **Community and Senior Services** - To provide one-time funding of \$2.1 million for maintenance and repairs of community and senior service centers throughout the County.

**Use of Additional Fund Balance - \$290.2 Million Net Cost**

In keeping with County budget policy, we are recommending that the uncommitted additional fund balance amount of \$290.2 million be earmarked for projects or expenditures that are one-time in nature such as capital projects, extraordinary maintenance, one-time start-up costs or one-time purchases. The following highlights some of our recommendations that meet this criterion for the FY 2007-08 Final Adopted Budget:

- **Designation for Capital Projects/Extraordinary Maintenance** - To supplement the Designation for Capital Projects/Extraordinary Maintenance by \$164.2 million to update the County's infrastructure needs.
- **Capital Projects** - To provide \$61.7 million to fund a variety of capital projects including animal shelter improvements in Lancaster, Baldwin Park, and Carson (\$5.0 million), beach septic system improvements (\$4.5 million), refurbishment of the Sheriff's Biscailuz Center (\$9.9 million) and Athens Sheriff Station (\$3.0 million), increased cost for various existing projects (\$7.2 million), refurbishment of the CEO Press Area and County Channel Facility (\$2.0 million), high priority projects to be identified by Supervisorial districts (\$25.0 million) and other infrastructure improvements (\$5.1 million).
- **Extraordinary Maintenance** - To provide \$11.2 million to fund beach water and sewer line improvements (\$1.7 million), infrastructure repairs at Whittier Narrows Recreation Area (\$2.0 million) and emergent 2007-08 repairs (\$7.5 million).
- **Information Technology** - Set aside \$25.0 million in a general fund designation for future information technology needs.

- **Healthier Communities, Stronger Families and Thriving Children (HST)** - To provide first year funding of \$1.5 million for the HST program and set aside years two (2) through six (6) funding (\$7.1 million) in a general fund designation. HST is a community-based service integration and community building demonstration initiative in four (4) geographic communities: Lancaster, Pacoima, Florence-Firestone and Wilmington.
- **Clean Water Initiative** - Reflects \$7.0 million in program funding to develop a parcel fee proposal to support the County's Clean Water Initiative to reduce the flow of polluted stormwater and urban runoff from entering the County's rivers, streams and ocean waters.
- **Public Health Outreach and Prevention** - Reflects \$1.2 million for methamphetamine prevention services (\$0.8 million) and syphilis and other sexually transmitted disease outreach services (\$0.4 million).
- **Various Recommendations** - Reflects \$0.8 million for various projects including \$0.3 million for Civic Center lighting improvements and \$0.5 million for renovation of a preschool at the MacLaren's Children Center.

#### **Redirection of Operating Resources**

Since the adoption of the 2007-08 County Budget on June 18, 2007, a number of revenue assumptions have changed that require an adjustment to the budgeted levels. The housing market continues to have a general slow down in both new construction and sales of existing homes. Although we did not see an impact to our projections on property tax revenues based on last year's actual receipts, it appears to be having an impact on other revenues that the County receives in the area of Vehicle License Fees (VLF) realignment revenues and Proposition 172 sales taxes. The total of these revenue reductions to the General Fund is \$43.1 million and are being addressed through a combination of increased interest earnings revenues (\$20.0 million) and the redirection of existing budgeted resources (\$23.1 million).

Highlighted below are the major issues:

- **Sheriff Custody** - Reflects increases in the Sheriff's Custody budget to open an additional 270 beds at the Pitchess Detention Center (South Facility-North Annex) beginning October 1, 2007. This increase in appropriation is funded with \$1.7 million in new revenues from the Sheriff's Department and a \$1.7 million transfer from the Nondepartmental Special Accounts budget unit. We are also recommending \$0.5 million to be set aside in the Provisional Financing Uses

budget unit to address fifty-percent (50%) of the balance of the annual cost of opening the additional 270 beds.

- **Probation Department** - The FY 2007-08 Adopted Budget set aside \$13.6 million in the Provisional Financing Uses budget to address the remaining components of the Probation Department's priority-phased comprehensive unmet needs request. We recommend that \$8.0 million of the amount set aside be transferred to a general fund designation for the Probation Department to allow the department to establish a hiring and restructuring plan to address potential Department of Justice issues. At this time, we are recommending that the remaining amount of \$5.6 million in Provisional Financing Uses be redirected to address other high priority budget needs.
- **Enhanced Specialized Foster Care Mental Health Services Plan (Plan)** - Reflects appropriation and revenue increases for the Departments of Children and Families Services and Mental Health for the Enhanced Specialized Foster Care Mental Health Services Plan. This program is a result of the Katie A. lawsuit and reflects improvements proposed by the County to better serve children with mental health needs. The Plan adds 181.0 budgeted positions: 72.0 to the Departments of Children and Family Services, and 109.0 to the Department of Mental Health. The net cost of implementing the Plan is estimated to be \$23.3 million. We recommend financing the Plan from funds set aside in the Nondepartmental Special Accounts and Provisional Financing Uses budget units along with funds in the Department of Children and Family Services (MacLaren) designation.
- **Children and Family Services Assistance Rate Increases** - Reflects a \$6.4 million net cost increase resulting from a five-percent (5%) rate increase for the Foster Care, KinGAP and Adoption Assistance Programs. We recommend that these increases be financed with reserves from the Nondepartmental Special Accounts and the Provisional Financing Uses budget units.
- **Senior Nutrition Programs** - Reflects a \$0.8 million net cost increase that will enable the Department of Community and Senior Services to enhance and maintain nutritional services for seniors in a congregate setting and provide home-delivered meals to home-bound seniors. There are six-hundred (600) seniors currently on the waiting list.
- **Self-Help Legal Access Center** - Reflects a \$0.5 million net cost increase to supplement funding for the Department of Consumer Affairs' Self-Help Legal Access Centers throughout the County.

- **Child Support Enforcement** - Reflects a \$0.5 million net cost increase to leverage \$1.5 million in State and federal funding to implement a criminal prosecution project. The project aims to increase enforcement against parents who are the most delinquent in their child support payments.
- **Revenue Adjustment** - Slower than anticipated economic growth has led my office to reevaluate amounts included in the FY 2007-08 Adopted Budget for Proposition 172 sales tax and State Realignment VLF. This change coupled with the County's conservative budgetary approach has led us to recommend a \$43.1 million reduction in these revenues sources. We recommend closing the \$43.1 million gap with a \$23.1 million reduction in general fund appropriation and a \$20.0 million increase in interest revenue from the County's treasury pool.

#### **Revenue Offset Funding**

The following are major program changes to the Adopted Budget that we are recommending where appropriation increases are offset by a variety of revenue sources and results in no increases in net County cost:

- **Additional Custody Expansion** - Reflects appropriation and revenue increases of \$4.1 million to open an additional 252 beds at the Pitchess Detention Center. The adjustment, along with the one above, will open a total of 522 additional beds at the Pitchess Detention Center.
- **Traffic Safety Education** - Reflects appropriation and revenues increases of \$2.4 million for the Sheriff's Department to provide traffic safety and education in the forty (40) contract cities for which the Sheriff provides traffic enforcement services.
- **State Parolees** - Reflects appropriation and revenue increases of \$3.2 million for the Sheriff's Department to provide movement and security of State parolees during parole revocation hearings at County custody facilities.
- **Title IV-E Child Welfare Waiver Capped Allocation Demonstration Project** - Reflects appropriation and revenue increases of \$67.8 million for the Department of Children and Family Services to implement the waiver for the County. This adjustment is needed to reflect the capped waiver allocation, additional State revenues and increases in foster care costs.

- **Mental Health Short Doyle Settlement** - Reflects appropriation and revenue increases of \$15.9 million for the Department of Mental Health. The Medi-Cal settlement will allow the Department to reimburse mental health services contract providers for unpaid claims.
- **Mental Health Foster Care Services** - Reflects appropriation and revenue increases of \$23.1 million for the Department of Mental Health for the mental health portion of the countywide Enhanced Specialized Foster Care Mental Health Services Plan. This program is a result of the Katie A. lawsuit and reflects improvements proposed by the County to better serve children with mental health needs.
- **Mental Health Services Act - Community Services and Support Plan** - Reflects appropriation and revenue increases of \$14.2 million for the Department of Mental Health to provide spending authority for various programs and services related to the Community Services and Support Plan component of the Mental Health Services Act.
- **Mental Health Services Act - Community Services and Support Plan** - Reflects appropriation and revenue increases of \$12.5 million for the Department of Mental Health to initiate the planning and development activities necessary to implement the information technology component of the Mental Health Services Act.
- **Probation Caseload Reduction** - Reflects appropriation and revenue increases of \$5.0 million for the Probation Department to align caseload sizes with service needs and to enable more effective delivery of evidence-based services regional placement, aftercare placement, intensive gang supervision and special enforcement programs.
- **Cash Assistance Program for Immigrants** - Reflects appropriation and revenue increases of \$3.4 million for the Department of Public Social Services to address projected changes in caseload.
- **CalWORKs** - Reflects an appropriation and revenue increase of \$7.0 million for the Department of Public Social Services for projected cost increases for direct provider payments under Stage I Child Care Program (\$4.0 million) and transportation payments under the Welfare-to-Work Transportation Program (\$3.0 million).



### **Ministerial Changes**

The following recommended changes reflect transfers between budget units or the redirection of existing appropriation and revenues within a budget unit and generally have no net effect on appropriation. Outlined below are some of the major adjustments we are recommending:

- **Mental Health Service Reductions** - Reflects a \$14.8 million yet to be identified reduction in services for the Department of Mental Health as result of projected reductions in both State Realignment Sales Tax (\$4.0 million) and VLF (\$10.8 million) revenues. The Department of Mental Health is currently in the process of identifying specific curtailments to its FY 2007-08 Adopted Budget and recommended curtailments will be submitted to the Board by December 2007.
- **Custody Medical Services** - Reflects adjustments in appropriation to the Medical Services Phase III funding allocation within the Sheriff's Custody budget. This adjustment is aimed at improving medical care at the Pitchess Detention Center (South Facility-North Annex).
- **Probation Extraordinary Maintenance** - Reflects the transfer of \$8.3 million of one-time funding from the Provisional Financing Uses budget unit to the Extraordinary Maintenance budget for a variety of projects within the Probation Department.
- **Capital Projects/Project and Facility Development Fund** - Transfers funding between various projects, to cover cost increases or address changed priorities, which have no net effect on appropriation.
- **Long Beach Courthouse Transfer** - Reflects changes in appropriation offset by revenue changes for various budget units related to the transfer of the Long Beach Courthouse from the County to the State as approved by your Board on June 19, 2007.
- **Treasurer and Tax Collector** - Transfer one-time funding of \$5.0 million from the Treasurer's operating budget to the Designation for Treasurer and Tax Collector Warehouse to be used to finance the purchase of a warehouse for the Public Administrator/Public Guardian.
- **Children and Family Services Procurement** - On August 8, 2007, on motion by Supervisor Antonovich, as amended by Supervisor Yaroslavsky, the Board instructed my office to examine the possibility of creating a permanent

Administrative Services Manager (ASM) III position to oversee the Department of Children and Family Services' Procurement Section and report back in time for consideration of the FY 2007-08 Supplemental Budget in September. Based on our review, we have included as part of the Supplemental Budget, the reclassification of an existing budgeted and vacant ASM II position currently assigned to the Procurement Section to an ASM III to oversee the operation. The additional costs associated with this action will be absorbed within the Department's existing appropriation authority.

- **Countywide Youth Employment Program** - Reflects the addition of 524.0 ordinance only positions in various County departments in order to implement the Countywide Youth Employment Program.

#### **Department of Health Services (DHS)**

The Supplemental Change recommendations reflect a total net budget for DHS of \$3.5 billion with 21,467.0 budgeted positions and \$816.9 million in net County cost (NCC). Adjustments included in the DHS Supplemental Change recommendations decrease the use of funds from the Enterprise Fund Designation by \$30.5 million, in accordance with available fund balance as of FY 2006-07 year-end closing for DHS. The Supplemental Change recommendations also reflect an additional \$136.1 million in NCC, related to the Managed Care Rate Supplement, consisting of \$64.7 million from the Designation for Health Future Financing Requirements for payment of the Intergovernmental Transfers that enable DHS to receive federal matching funds for the Managed Care Rate Supplement, and \$39.2 million from the Tobacco Settlement Designation and \$32.2 million from the Designation for Health Future Financing Requirements, to offset lower than budgeted revenues from this funding stream, based on the most recent discussions with the State and federal governments. The recommendations also reflect an additional \$10.9 million from the Tobacco Settlement Designation to address a projected shortfall in Vehicle License Fee revenues, for no net change in NCC.

The Supplemental Change recommendations also reflect:

- Net revenue increase of \$57.2 million, primarily related to Medi-Cal Physician revenue increases of \$30.7 million, Medi-Cal Disproportionate Share Hospital revenue of \$25.4 million and Section 1011 revenue of \$6.9 million, partially offset by a \$5.6 million projected decrease in Medicare revenue and a \$0.2 million decrease in insurance revenue.

- Net increase of \$28.0 million and 357.0 budgeted positions, primarily to reflect the addition of 52 beds at Rancho Los Amigos National Rehabilitation Center (RLANRC) and 20 beds at Harbor-UCLA Medical Center for increased inpatient services as a result of the initial census reduction and subsequent closure of inpatient services at Martin Luther King, Jr.-Harbor (MLK-H) Hospital. This also includes provisions for private hospital contractors that will provide health care services during the fiscal year. These increases are partially offset by savings realized in the Southwest Network included in these Supplemental Change recommendations, and savings already recognized in the FY 2007-08 Adopted Budget.
- Increase of \$3.2 million in net appropriation fully offset by LA Care grant funding and 10.0 budgeted positions for implementation of various programs and services, including a satellite nursing campus for the College of Nursing and Allied Health at Olive View-UCLA Medical Center; optometry, endoscopy, and program management services at LAC+USC Medical Center; interpreter call center services at RLANRC, and ambulatory care services enhancement at Harbor-UCLA Medical Center approved by your Board on June 12, 2007.
- Net decrease of \$0.5 million related to continued operation of the Medical Hub clinics at DHS facilities, resulting from an increase in appropriation of \$1.7 million and 17.0 budgeted positions, offset by projected net revenue increases of \$2.2 million. The net revenue increase includes an increase of \$0.5 million to offset the increase in nursing salary costs for previously budgeted positions that were included in the FY 2007-08 Adopted Budget.
- Net increase of \$20.6 million in the overall system cost of pharmaceuticals due to the fact that the hospital outpatient facilities (i.e., comprehensive health centers and health centers) are no longer able to access federal 340B pricing for pharmaceuticals. An increase of \$25.9 million is partially offset by increased Medi-Cal Cost-Based Reimbursement Clinics revenue of \$5.3 million.
- Net decrease of \$4.2 million in Health Services Administration and 11.5 budgeted positions to reflect various budgetary adjustments. Position adjustments are primarily attributed to a reduction in human resources and information technology budgeted positions, and restoration of staffing for outpatient psychiatric services at LAC+USC Medical Center, pending completion of the analysis for the transfer of services to the Department of Mental Health. Adjustments also reflect elimination of partial positions, the reduction of \$0.1 million and 1.0 budgeted position for various salaries and employee benefits and services and supplies

costs transferred to the Department of Public Health, and other minor corrections.

- Net increase of \$5.2 million for program and other changes, primarily consisting of salaries and employee benefits increases to reflect Board-approved reclassifications of information technology and respiratory care positions, and to reflect CEO Classification/Compensation position allocation changes. Also reflects the addition of 9.0 new budgeted Health Care Interpreter positions for DHS hospitals, fully offset by the reduction of other vacant positions.
- A net decrease of \$30.5 million due to reduced use of designation to reflect actual fund balance available for the 2007-08 Supplemental Budget.

As part of the FY 2006-07 closing, \$18.1 million in unspent funds, including \$0.5 million from the Department of Public Health, reverted to the Tobacco Settlement Designation, as consistent with your Board's policy regarding unspent Tobacco Settlement funds.

Also in FY 2006-07 closing, DHS identified a \$17.7 million surplus, which increased the balance in the Enterprise Fund Designation to \$135.3 million. The use of \$165.5 million of the Designation was previously approved by your Board in the FY 2007-08 Adopted Budget. The reduced total use of \$135.0 million for the Supplemental Budget would leave a revised available balance of \$0.3 million.

#### **Department of Public Health (DPH)**

The DPH's Supplemental Change recommendations reflect various program changes that are primarily revenue offset. Public Health's budget request includes a yet to be determined \$1.9 million appropriation reduction that offsets a \$1.9 million projected reduction to the Department's share of State Realignment VLF revenue. In separate adjustments included in the Supplemental Change recommendations, a NCC increase of \$0.5 million is reflected for DPH that consists of an increase of \$0.7 million, as a match for federal funds, to retain 20.0 Public Health Nurse positions for the Health Care for Program Children in Foster Care, an increase of \$0.1 million transferred from DHS for various salaries and employee benefits and services and supplies costs, and a decrease of \$0.3 million related to other salaries and employee benefit changes.

The Supplemental Change recommendations also reflect:

- A decrease of \$9.5 million in revenue from the California Department of Health Services for the Child Health Outreach, Enrollment, Utilization and Retention program as a result of the State budget elimination of funding for health coverage outreach and Medi-Cal/Healthy Families enrollment services, resulting in the reduction of 5.0 budgeted positions, \$0.3 million in associated salaries and employee benefits appropriation, and \$9.2 million in services and supplies appropriation.
- Increased program costs of \$5.7 million, fully offset by State and federal revenue, for substance abuse services administered by DPH's Alcohol and Drug Programs Administration.
- Increased program costs of \$1.2 million, fully offset by State and federal revenue, for DPH's Public Health Laboratory and the Pandemic Influenza Preparedness, Bioterrorism, Immunization, and Injury and Violence Prevention Programs.
- A net increase of 1.1 budgeted positions, fully offset by a transfer of NCC from DHS, State and federal revenue, and/or decreases in services and supplies appropriation.

#### SPECIAL FUNDS - SPECIAL DISTRICTS

Services and programs provided by Special Funds and Special Districts are generally financed by sources other than the General Fund. Revenue resources include State and federal subventions, property taxes, fines and forfeitures, fees and operating revenues. Below are the significant changes we are recommending to your Board:

- **Fire Department** - Supplement the Designation for Capital Projects by \$56.2 million for infrastructure growth within the Fire Department.
- **Fire Department Del Valle Accumulated Capital Outlay Fund (ACO)** - Reflects \$4.1 million in additional Homeland Security grants for fixed assets emergency equipment.
- **Fire Department Helicopter ACO Fund** - Reflects changes in appropriation necessary for the purchase of a new helicopter for the Fire Department.

- **Marina Replacement Accumulated Capital Outlay Fund** - Reflects the transfer of \$4.9 million from the fund's services and supplies appropriation to its other charges appropriation for the purchase of parcels 44 and 77 in Marina del Rey.
- **Health Services Measure B Fund** - Reflects the transfer of \$9.3 million from the fund's appropriation for contingency to other charges to be used as an intergovernmental transfer to draw down federal Medi-Cal matching funds for patient care.
- **LAC+USC Replacement ACO Fund** - Reflects a \$38.4 million increase in fixed assets (equipment) appropriation offset by a reduction in appropriation for contingency (\$6.6 million) and a designation cancellation (\$31.8 million).
- **Vehicle Gap Loan Fund** - Reflects a net increase of \$2.0 million in carryover adjustments to account for lower than anticipated expenditures in FY 2006-07.
- **Mission Canyon Landfill** - Reflects a carryover adjustment of \$7.4 million for maintenance activities at the Mission Canyon Landfill.
- **Public Library** - Reflects a transfer of \$0.3 million in anticipated FY 2007-08 operating budget savings to the Capital Projects/Refurbishments Budget for construction of the new La Crescenta library.
- **Asset Development Implementation Fund** - Reflects an increase in appropriation to recognize the cancellation of a prior-year designation and increased revenue.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

### **Funding Agreement Authorization**

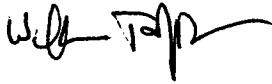
The proposed \$1.1 million funding agreement is necessary to complete a fund transfer of capital project funds from C.P. 77492 (Santa Monica Mountains Land Acquisition) to the National Park Service for acquisition of open space in Upper Solstice Canyon.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Adoption of these recommendations will allow your Board to:

- Realign and appropriate funding based upon the necessary accounting adjustments between the estimates contained in the FY 2007-08 Adopted Budget and actual operating results of FY 2006-07.
- Provide sufficient appropriation to implement programs or changes due to refined revenue projections and identified needs.
- Make miscellaneous adjustments to various funds.

Respectfully submitted,



William T Fujioka  
Chief Executive Officer

WTF:DL:SK  
EC:MM:ljp

Attachments

c: All Department Heads

**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

**GENERAL FUND CAPITAL PROJECTS/REFURBISHMENTS**

**Capital Projects**

1. Approve a General Fund appropriation adjustment totaling \$114,211,000 that reflects a carryover adjustment off-set with revenue and allocations of prior year departmental savings totaling \$8,207,000 to various capital projects. Major capital projects/refurbishments include: \$9,917,000 for the Biscailuz Center Training Academy Improvements, \$5,000,000 for spay and neuter clinics at the Carson, Lancaster, and Baldwin Park Animal Shelters, and \$2,050,000 for Fuel Tank Replacement and Refurbishment at various County sites.

**Extraordinary Maintenance**

2. Approve a General Fund appropriation adjustment totaling \$23,105,000 that reflects the carryover of unexpended FY 2006-07 appropriation based on year-end closing figures and an allocation of one-time funding to the Extraordinary Maintenance Budget for waterline replacement and upgrades, infrastructure repairs, and Probation facility repairs.

**Project and Facility Development**

3. Approve a General Fund Appropriation Adjustment totaling \$40,545,000 that reflects a net decrease in carryover adjustments to reflect the transfer of appropriation for the hospital replacement project at LAC+USC medical center.

**GENERAL FUND/HOSPITAL ENTERPRISE FUNDS**

**CARRYOVER CHANGES**

Approve General Fund appropriation adjustments to transfer funding from the Appropriation for Contingencies budget to the following budget units:

4. **Community and Senior Services** - \$2,100,000 for maintenance and repairs of community and senior service centers throughout the County.
5. **Agricultural Commissioner/Weights and Measures** - \$425,000 for the anticipated settlement of a liability case against the department.



**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

6. **Alternate Public Defender** - \$500,000 for litigation cost (\$300,000) and refurbishment and office space to accommodate additional staff (\$200,000).
7. **Children's Planning Council** - \$704,000 for unspent funds for the Earned Income Tax Credit and Volunteer Income Tax Assistance Programs.
8. **Countywide Criminal Justice Coordination Committee** - \$122,000 for the Second Chance Women's Re-Entry Court Program.
9. **Community Programs** - \$5,477,000 for various community programs set-aside in Provisional Financing Uses.
10. **District Attorney** - \$2,414,000 to finance the digital archive case backlog, the Airport Courthouse remodel, the Priors Unit remodel and the purchase of additional workstations.
11. **eCAPS Designation for Financial Systems** - \$2,182,000 from surplus funding from the FAS Replacement and DHS Time Collection projects to the designation.
12. **Homeless and Housing Program** - \$18,953,000 for various homeless assistance programs.
13. **Information Technology** - Transfer \$413,000 in surplus funding from the Assessor's portion of the Los Angeles County Regional Imaging Acquisition Program to the Information Technology Infrastructure Fund.
14. **Parks and Recreation** - \$379,000 in one-time funding for fixed assets.
15. **Parks and Recreation** - \$785,000 in one-time funding for various projects within each Supervisorial District from funding that was unspent from the previous year.
16. **Probation Department** - \$2,500,000 for the purchase of additional vehicles and safety equipment and supplies to meet the expanding initiatives.
17. **Probation Department Homeless Prevention Initiatives** - \$1,750,000 for unspent homeless prevention funding.

**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

18. **Public Defender** - \$607,000 in one-time funding for work locations in need of basic improvements and repairs, space reconfiguration to accommodate additional staffing and other work area improvements.
19. **Public Library** - \$7,288,000 in general fund carryover and \$1,300,000 in the library fund carryover for one-time costs associated with opening new libraries (\$3,914,000 million), capital projects (\$1,407,000 million) and set aside \$3,267,000 million in Provisional Financing Uses for future library projects. In addition, this appropriation adjustment transfers an additional \$2,276,000 from the Library Fund appropriation for contingency to various general fund capital projects and to backfill the loss of State revenues. Finally, the appropriation adjustment transfers \$300,000 from the Library Fund to the general fund for a library capital project and deletes one-time funding from the prior fiscal year (\$5,311,000).
20. **Public Social Services Homeless Prevention Initiatives** - \$2,038,000 for unspent homeless prevention funding.
21. **Public Social Services In-Home Supportive Services (IHSS)** - \$805,000 for prior year workers' compensation costs for the IHSS program.
22. **Regional Planning** - \$450,000 for the County General Plan Environmental Impact Report contract.
23. **Designation for Treasurer and Tax Collector Warehouse** - \$3,397,000 to supplement the designation that will be used to purchase a warehouse for the Public Administrator/Public Guardian.
24. **Designation for Treasurer and Tax Collector Unsecured Property Tax System** - \$56,000 to supplement the designation that will be used to fund upgrades, modifications and ongoing maintenance of the unsecured property tax system.
25. **Employee Relations** - \$261,000 in Joint Labor/Management Committee funds for office ergonomics projects.
26. **Museum of Natural History** - \$1,188,000 pursuant to the 1994 Funding Agreement that prior year surpluses be carried forward.
27. **Museum of Art** - \$92,000 pursuant to the 1994 Funding Agreement that prior year surpluses be carried forward.

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28. **Provisional Financing Uses** - (\$70,000) reflects a reduction to previously projected fund balances included in the FY 2007-08 Adopted Budget to reflect actual results.
29. **Community-Based Contracts** - (\$24,000) reflects a reduction to previously projected fund balances included in the FY 2007-08 Adopted Budget to reflect actual results.
30. **Board of Supervisors** - (\$355,000) reflects a reduction to previously projected fund balances included in the FY 2007-08 Adopted Budget to reflect actual results.

**USE OF ADDITIONAL FUND BALANCE**

Approve General Fund appropriation adjustments to transfer funding from the Appropriation for Contingencies budget to the following budget units and designations.

31. **Designation for Capital Projects/Extraordinary Maintenance** - \$164,173,000 to supplement the Designation for Capital Projects/Extraordinary Maintenance for future needs.
32. **Designation for Information Technology** - \$25,000,000 to be set-aside for anticipated future needs.
33. **Clean Water Initiative** - \$7,000,000 for program funding to develop a parcel fee proposal to support the County's Clean Water Initiative.
34. **Healthier Communities, Stronger Families and Thriving Children (HST)** - \$1,473,000 for first year funding for a community-based service integration and community building demonstration initiative.
35. **Designation for Healthier Communities, Stronger Families and Thriving Children (HST)** - \$7,114,000 for years two (2) through six (6) funding for the HST program.
36. **Fire Lifeguard General Fund** - \$1,199,000 for one-time funding for negotiated increases in salaries and employee benefits as well as license fees.

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- 37. **Public Health** - \$1,150,000 for one-time funding for methamphetamine prevention services and syphilis and other sexually transmitted disease outreach services.
- 38. **Civic Center Lighting** - \$265,000 for one-time costs to improve the exterior lighting of the County's Civic Center.
- 39. **Provisional Financing Uses** - \$500,000 for MacLaren Hall preschool funding.
- 40. **Education Coordinating Council** - \$100,000 in one-time funding for the Education Coordinating Council to secure grants from the Keck and Weingart Foundations in the amount of \$650,000.
- 41. **Board of Supervisors** - \$10,000 for sexual harassment and diversity training for County commissioners.

**REDIRECTION OF OPERATING RESOURCES**

**Revenue Adjustment**

- 42. Approve a general fund appropriation adjustment that reduces Proposition 172 revenue by \$40,714,000, State Realignment Vehicle License Fee revenue by \$2,395,000, Nondepartmental Special Accounts appropriation by \$9,409,000 and the Designation for Senate Bill (SB) 90 by \$13,700,000. The appropriation adjustment also increases interest revenue from the County's treasury pool by \$20,000,000. This appropriation adjustment is needed to reflect updated revenue projections. There is no net County cost impact and no position changes.

**New Social Services Program Requirements**

- 43. Approve a general fund appropriation adjustment that provides increases in appropriation and revenues for the Department of Children and Family Services (DCFS) to implement the Enhanced Specialized Foster Care Mental Health Services Plan and provide a five percent (5%) rate increase for various DCFS' Assistance budget units that increases net cost by \$29,706,000. This appropriation adjustment also provides increases in funding for the Department of Community and Senior Services for the Senior Nutrition Program (\$782,000), the Department of Consumer Affairs for the Self-Help Legal Access Center (\$501,000) and for the Child Support Enforcement Program

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(\$500,000). In addition, this appropriation adjustment also sets aside \$600,000 in the Provisional Financing Uses budget for DCFS programs. This appropriation adjustment is financed with appropriation in the Nondepartmental Special Accounts (\$10,517,000) and Provisional Financing Uses (\$8,221,000) budget units along with a reduction in the Designation for DCFS (\$4,020,000) and Appropriation for Contingency (\$9,331,000). In addition, this adjustment contains a \$20,000 adjustment to the Arts Commission that is fully offset by revenue. There is no net County cost impact; however, we are recommending the addition of 72.0 budgeted positions for DCFS.

**Public Safety and Other New Program Requirements**

44. Approve a general fund appropriation adjustment that provides increased funding for the Sheriff's Department to reopen 270 beds at the Pitchess Detention Center (\$3,300,000), Provisional Financing Use funding for inmate custody (\$550,000), the Ombudsman for the Child Abuse Central Index (\$111,000) and the Music Center for a city special assessment (\$30,000). This funding increase is being offset with new revenue from the Sheriff's Department (\$1,650,000) and decreases in appropriation from the Museum of Natural History (\$95,000) and Nondepartmental Special Accounts (\$2,246,000). In addition, this adjustment transfers \$8,000,000 from Provisional Financing Uses a general fund designation for the Probation Department. There is no net County cost impact; however, we are recommending the addition of twenty-seven (27.0) budgeted positions; twenty-six (26.0) for the Sheriff and one (1.0) for the Ombudsman.

**REVENUE OFFSET FUNDING**

**Affirmative Action**

45. Approve a general fund appropriation adjustment of \$910,000 for the Office of Affirmative Action fully offset by intrafund transfers to provide investigative services to the Department of Public Social Services. There is no net County cost impact; however, we are recommending the addition of seven (7.0) budget positions.

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**Beaches and Harbors**

46. Approve a general fund appropriation adjustment of \$100,000 for the Department of Beaches and Harbors-Marina fully offset by revenue to reflect increases in appropriation for contract cost increases. There is no net County cost impact and no position changes.
47. Approve a general fund appropriation adjustment of \$1,301,000 for the Department of Beaches and Harbors-Beaches fully offset by State revenue to reflect grant funds to be received from the California Air Resources Board. There is no net County cost impact and no position changes.

**Children and Family Services**

48. Approve a general fund appropriation adjustment of \$67,264,000 for DCFS' Administration and Assistance budget units (\$65,641,000) and the Provisional Financing Uses budget (\$1,623,000) fully offset by revenue and Intrafund transfers. This adjustment is primarily needed to implement the Title IV-E Child Welfare Waiver Capped Allocation Demonstration Project (CADP). There is no net County cost impact and no position changes.
49. Approve a general fund appropriation adjustment of \$551,000 for the DCFS' Administration budget unit fully offset by grant revenue from the Casey Family Foundation, which provides funding for project management costs related to the Title IV-E Child Welfare Waiver CADP. There is no net County cost impact; however, we are recommending the addition of three (3.0) budgeted positions.
50. Approve a general fund appropriation adjustment of \$358,000 for the DCFS' Administration budget unit fully offset by revenue for start-up costs for the Transitional Housing Program for Emancipated Foster/Probation Youth (THP-Plus) Services program. There is no net County cost impact and no position changes.
51. Approve a general fund appropriation adjustment of \$129,000 for the DCFS' Administration budget unit fully offset by intrafund transfer for Skill Development Workshop. There is no net County cost impact and no position changes.

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52. Approve a general fund appropriation adjustment of \$155,000 for the DCFS' Administration budget unit fully offset by Intrafund transfer to provide rental assistance for Probation Department youth participating in the Independent Living Program, which is administered by DCFS. There is no net County cost impact and no position changes.

**District Attorney**

53. Approve a general fund appropriation adjustment of \$187,000 for the District Attorney fully offset by intrafund transfer for the District Attorney's participation in the countywide multi-jurisdictional methamphetamine enforcement team. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.
54. Approve a general fund appropriation adjustment of \$177,000 for the District Attorney fully offset by federal revenue for the Project Safe Neighborhood Gun Prosecutor Program, which is an anti-gang initiative grant. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.
55. Approve a multi-fund appropriation adjustment that transfers \$158,000 from the District Attorney's Forfeiture Fund to the department's operating budget to fund a newly created Law Enforcement Training Coordinator. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.
56. Approve a general fund appropriation adjustment of \$135,000 for the District Attorney fully offset by federal revenue to fund the Six Cities Community Law Enforcement and Recovery (CLEAR) grant. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.

**Mental Health**

57. Approve a general fund appropriation adjustment of \$400,000 for the Department of Mental Health (DMH) fully offset by intrafund transfer for substance abuse co-occurring disorder services mandated by the Department of Justice settlement agreement and provided by mental health services contract providers. There is no net County cost impact and no position changes.

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58. Approve a general fund appropriation adjustment of \$150,000 for DMH fully offset by revenue to provide for the data collection and evaluation activities of Assembly Bill 2034. There is no net County cost impact and no position changes.
59. Approve a general fund appropriation adjustment of \$798,000 for DMH fully offset by intrafund transfer for the Mentally Ill Offender Crime Reduction (MIOCR) program. There is no net County cost impact; however, we are recommending the addition of three (3.0) budgeted positions.
60. Approve a general fund appropriation adjustment of \$1,000,000 for DMH fully offset with pharmaceutical company rebate revenue for medication support for indigent clients. There is no net County cost impact and no position changes.
61. Approve a general fund appropriation adjustment of \$15,919,000 for DMH fully offset by federal revenue to reimburse mental health services contract providers based on the fiscal year (FY) 2003-04 Short Doyle/Medi-Cal Settlement. There is no net County cost impact and no position changes.
62. Approve a general fund appropriation adjustment of \$23,016,000 for DMH fully offset by State and federal revenue and intrafund transfer from DCFS for the countywide Enhanced Specialized Foster Care Mental Health Services Plan. This program is a result of the Katie A. lawsuit and reflects improvements proposed by the County to better serve children with mental health needs. There is no net County cost impact; however, we are recommending the addition of 109.0 budgeted positions.
63. Approve a multi-fund appropriation adjustment for DMH that transfers \$14,188,000 from the Mental Health Services Act (MHSA) Fund to the department's operating budget to support various programs and services in the Community Services and Supports Plan. There is no net County cost impact and no position changes.
64. Approve a multi-fund appropriation adjustment for DMH that transfers \$12,500,000 from the MHSA Fund to the department's operating budget to initiate the planning and development activities necessary to facilitate the implementation of the information technology component of the MHSA. There is no net County cost impact; however, we are recommending the addition of forty-eight (48.0) budgeted positions.



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**Parks and Recreation**

65. Approve a general fund appropriation adjustment of \$828,000 for the Department of Parks and Recreation's Vehicle Replacement Program fully offset by unspent fixed assets revenue from the Vehicle License Fee Gap Loan Fund. There is no net County cost impact and no position changes.
66. Approve a general fund appropriation adjustment of \$95,000 for the Department of Parks and Recreation fully offset by intrafund transfer from the Probation Department (Juvenile Justice Crime Prevention Act Funding) for the After School Enrichment Program. There is no net County cost impact and no position changes.

**Probation Department**

67. Approve a general fund appropriation adjustment of \$1,340,000 for the Probation Department fully offset by revenue to reflect the establishment of a management team to support the administration of the Title IV-E Child Welfare Waiver CADP process. There is no net County cost impact; however, we are recommending the addition of four (4.0) budgeted positions.
68. Approve a general fund appropriation adjustment of \$127,000 for the Probation Department fully offset by federal revenue to reflect the funding necessary to redesign the Probation Department's camp system. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.
69. Approve a general fund appropriation adjustment of \$1,643,000 for the Probation Department offset by State revenue and the elimination of one (1.0) budgeted position to reflect support services related to the Mentally Ill Offender Crime Reduction (MIOCR) program. There is no net County cost impact and no other position changes.
70. Approve a general fund appropriation adjustment of \$640,000 for the Probation Department fully offset by State revenue to reflect Standards and Training for Corrections programs that provide for the training of local correctional officers who staff County jails and juvenile halls. There is no net County cost impact and no position changes.

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71. Approve a general fund appropriation adjustment of \$4,966,000 for the Probation Department offset by federal revenue and the elimination of four (4.0) budgeted positions to align caseload sizes with service needs and to enable more effective delivery of services at the Probation Department. There is no net County cost impact; however, we are recommending the addition of sixty-three (63.0) budgeted positions.

**Public Defender**

72. Approve a general fund appropriation adjustment of \$286,000 for the Public Defender fully offset by State revenues. This adjustment is needed to implement Project Youth Embrace under the State's Juvenile Justice Community Reentry Challenge Grant. There is no net County cost impact; however, we are recommending the addition of two (2.0) budgeted positions.
73. Approve a general fund appropriation adjustment of \$55,000 for the Public Defender fully offset by State revenues to supplement the Public Defender's Sexually Violent Predator unit. There is no net County cost impact and no position changes.

**Office of Public Safety**

74. Approve a general fund appropriation adjustment of \$4,162,000 for the Office of Public Safety fully offset by revenue. The increase reflects increased security cost rates recently approved by the Board of Supervisors for various health facilities security guard services. There is no net County cost impact and no position changes.

**Public Social Services**

75. Approve a general fund appropriation adjustment of \$3,400,000 for the Department of Public Social Services' (DPSS) Cash Assistance Program for Immigrants (CAPI) assistance budget unit fully offset with revenue to address projected changes in caseload in the CAPI program. There is no net County cost impact and no position changes.
76. Approve a general fund appropriation adjustment of \$4,000,000 for DPSS' Administration budget unit fully offset by revenue to address projected increases in direct provider payments under the Stage I Child Care Program. There is no net County cost impact and no position changes.

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77. Approve a general fund appropriation adjustment of \$3,000,000 for DPSS' Administration budget fully offset by revenue. The increase in appropriation and revenues reflect the projected cost increase in transportation payments under the Welfare-to-Work Transportation Program. There is no net County cost impact and no position changes.

**Regional Planning**

78. Approve a general fund appropriation adjustment of \$30,000 for the Department of Regional Planning fully offset by revenue that will be used to purchase rough terrain vehicles needed for zoning enforcement activities. There is no net County cost impact and no position changes.

**Sheriff's Department**

79. Approve a general fund appropriation adjustment of \$2,552,000 for the Sheriff Department fully offset by revenue. There is no net County cost impact; however, we are recommending the addition of 19.0 budgeted positions related to the transport of prisoners.
80. Approve a general fund appropriation adjustment of \$3,223,000 for the Sheriff Department fully offset by revenue. There is no net County cost impact; however, we are recommending the addition of 23.0 budgeted positions needed to provide movement and security of State parolees during parole revocation hearings at the Men's Central Jail and Pitchess Detention Center.
81. Approve a general fund appropriation adjustment of \$2,372,000 for the Sheriff Department fully offset by State revenue. There is no net County cost impact; however, we are recommending the addition of two (2.0) budgeted positions needed to provide traffic safety and education in the 40 contract cities the Department provides traffic enforcement services in.
82. Approve a general fund appropriation adjustment of \$263,000 for the Sheriff Department fully offset by revenue to fund the Maximo Project. There is no net County cost impact; however, we are recommending the addition of two (2.0) budgeted positions.
83. Approve a general fund appropriation adjustment of \$132,000 for the Sheriff's General Support budget unit fully offset by revenue to address current departmental staffing needs. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.

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84. Approve a general fund appropriation adjustment of \$397,000 for the Sheriff's Patrol budget unit fully offset by revenue to fund additional positions to address workload increases at the Lakewood and San Dimas stations. There is no net County cost impact; however, we are recommending the addition of four (4.0) budgeted positions.
85. Approve a general fund appropriation adjustment of \$321,000 for various Sheriff budget units fully offset by revenue to address an increase in workload in the Technical Services' Administrative Headquarters Bureau. There is no net County cost impact; however, we are recommending the addition of two (2.0) budgeted positions.
86. Approve a general fund appropriation adjustment of \$104,000 for various Sheriff budget units fully offset by revenue to address an increase in workload related to eCAPS. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.
87. Approve a general fund appropriation adjustment of \$155,000 for the Sheriff's Patrol budget unit fully offset by revenue to address staffing needs in the Office of Homeland Security's Reserve Forces Bureau. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.
88. Approve a general fund appropriation adjustment of \$149,000 for the Sheriff's Patrol budget unit fully offset by revenue to address an increase in workload in the Personnel Administration Bureau. There is no net County cost impact; however, we are recommending the addition of two (2.0) budgeted positions.
89. Approve a general fund appropriation adjustment of \$4,085,000 for various Sheriff budget units fully offset by operating transfer in from the Inmate Welfare Fund in order to reopen 252 additional beds at the Pitchess Detention Center-South Facility (North Annex). There is no net County cost impact; however, we are recommending the addition of 29.0 budgeted positions.
90. Approve a general fund appropriation adjustment that reflects changes in appropriations and revenues of \$24,368,000 to various Sheriff budget units as a result of the changes in grants. There is no net County cost impact and no position changes.

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**MINISTERIAL CHANGES**

**Auditor-Controller**

91. Approve a general fund appropriation adjustment that transfers \$301,000 from the Auditor-Controller's services and supplies appropriation to their salaries and employee benefits appropriation to monitor the Probation Department's Department of Justice agreement. There is no net County cost impact; however, we are recommending the addition of three (3.0) budgeted positions.

**Beaches and Harbors**

92. Approve a general fund appropriation adjustment for the Department of Beaches and Harbors-Beaches that transfers \$73,000 from services and supplies to salaries and employee benefits to address workload increases. There is no net County cost impact; however, we are recommending the addition of one (1.0) budgeted position.

**Children and Family Services**

93. Approve a general fund appropriation adjustment for \$5,000,000 DCFS' Assistance budget unit that realigns appropriations and revenue to reflect changes in federal funding allocations for the Family Preservation Program. There is no net County cost impact and no position changes.
94. Approve a general fund appropriation adjustment for DCFS' Administration budget unit that reflects changes in appropriation and revenue of \$6,052,000 to allow the department to implement the Title IV-E Child Welfare Waiver CADP. There is no net County cost impact; however, we are recommending the addition of 26.0 budgeted positions.

**County Counsel**

95. Approve a general fund appropriation adjustment that transfers \$430,000 from County Counsel's services and supplies appropriation to their other charges appropriation to better reflect expected operating results. There is no net County cost impact and no position changes.

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**Health Services**

96. Approve a Department of Health Services appropriation adjustment to reduce the use of funds from the Enterprise Fund Designation by \$30,471,000, and to make other necessary transfers of appropriation; with a net increase of 372.5 positions, primarily to reflect budgeted census at Rancho Los Amigos National Rehabilitation Center and Harbor-UCLA Medical Center

**Human Resources**

97. Approve a general fund budget adjustment that reflects a net decrease in appropriation of \$98,000 and revenues of \$98,000 related to the deletion of one (1.0) budgeted position in the Department of Human Resources. There is no net County cost impact; however, we are recommending the deletion of one (1.0) budgeted position.

**Internal Services Department**

98. Approve a general fund appropriation adjustment for the Internal Services Department that increases intrafund transfers by \$2,454,000, services and supplies by \$769,000 and fixed assets by \$1,685,000. These changes in appropriation are needed to facilitate the purchase of hardware and software for eCAPS Phase III. There is no net County cost impact and no position changes.

**Long Beach Courthouse Transfer**

99. Approve a general fund budget adjustment that reflects changes in appropriation and revenues of \$1,009,000 as a result of the transfer of the Long Beach Courthouse from the County to the State as approved by the Board on June 19, 2007. There is no net County cost impact and no position changes.

**Mental Health**

100. Approve a general fund appropriation adjustment of \$14,783,000 for DMH to reflect a reduction in services and supplies for an unidentified service curtailment as a result of a \$3,962,000 reduction in Realignment Sales Tax revenue, and \$10,821,000 reduction in Vehicle License Fees Realignment revenue. The Department is currently in process of identifying specific curtailments to its FY 2007-08 budget and details of those curtailments will be

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submitted to the Board by December 2007. This reduction will reduce net County cost and there are no position changes.

101. Approve a general fund appropriation adjustment of \$80,000 for DMH fully offset by a shift in appropriation from salaries and employee benefits to services and supplies for the MHSA Community Services and Supports (CSS) Plan Crisis Resolution Services program at the Downtown Mental Health Center. There is no net County cost impact; however, we are recommending the deletion of one (1.0) budgeted position to support the services and supplies needs of the program.
102. Approve a general fund appropriation adjustment of \$363,000 for DMH fully offset by a shift in appropriation from services and supplies to salaries and employee benefits and fixed assets to implement the MHSA CSS Full Service Partnership (FSP) program at the Roybal Mental Health Center. There is no net County cost impact; however, we are recommending the addition of four (4.0) budgeted positions (subject to review and allocation by the Chief Executive Office).
103. Approve a general fund appropriation adjustment of \$1,729,000 for DMH fully offset by a shift in appropriation from services and supplies to salaries and employee benefits and fixed assets to provide services for Seriously Emotionally Disturbed (SED) Transition Age Youth in Probation camps. There is no net County cost impact; however, we are recommending the addition of 26.0 budgeted positions.

**Nondepartmental Special Accounts**

104. Approve a general fund appropriation adjustment of \$1,800,000 from Nondepartmental Special Accounts to the Board of Supervisors to realign employee benefits to reflect actual operating results. There is no net County cost impact and no position changes.
105. Approve a general fund appropriation adjustment that transfers \$250,000 from Provisional Financing Uses to Nondepartmental Special Accounts for the 2-1-1 Information Line Marketing Campaign. There is no net County cost impact and no position changes.

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**Office of Public Safety**

106. Approve a general fund budget adjustment that realigns the department's revenue budget of \$46,243,000 to better reflect expected operating results. There is no net County cost impact and no position changes.

**Probation Department**

107. Approve a general fund appropriation adjustment for the Probation Department that reflects a reduction in Medi-Cal Administration Activities revenue of \$3,000,000 to align the budgeted revenue with the actual anticipated revenue recovery levels, offset by a reduction in services and supplies appropriation of \$2,779,000 and an increase in other State revenue of \$24,000. There is no net County cost impact and no position changes.
108. Approve a general fund appropriation adjustment for the Probation Department that reflects the alignment of various revenues of \$8,511,000 to the appropriate budget units newly organized in the current fiscal year. There is no net County cost impact and no position changes.

**Public Health**

109. Approve a general fund appropriation adjustment that reflects appropriation and revenue adjustments and aligns the Department of Public Health's budget unit with available State and federal resources. We are recommending the addition of 1.1 budgeted positions.

**Public Social Services**

110. Approve a general fund appropriation adjustment for DPSS that transfers \$566,000 from their services and supplies appropriation to the fixed assets appropriation to facilitate the purchase of equipment for the LEADER system. There is no net County cost impact and no position changes.
111. Approve a general fund appropriation adjustment for DPSS that transfers \$213,000 from the department's salaries and employee benefits appropriation to its services and supplies appropriation to fund civil rights investigations. There is no net County cost impact; however, we are recommending the deletion of three (3.0) budgeted positions.



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**Salaries and Employee Benefits**

112. Approve a general fund appropriation adjustment that transfers \$5,595,000 from the Nondepartmental Special Accounts budget unit to various budget units for Board-approved increases in salaries and employee benefits that were not yet incorporated in the Adopted Budget. There is no net County cost impact

The Supplemental Budget Request also includes adjustments to eliminate partially funded budgeted positions. This results in a change in the number of budgeted positions throughout the County but will have no net affect on net County costs.

**Sheriff's Department**

113. Approve a general fund appropriation adjustment that transfers \$3,500,000 from the Sheriff's Court Services budget unit to the Administration budget unit to better reflect expected operating results. There is no net County cost impact and no position changes.
114. Approve a general fund appropriation adjustment of \$794,000 to the Sheriff's Custody budget unit for the Medical Services Craig Phase III funding for associated costs needed to provide medical services at the Pitchess Detention Center-South Facility (North Annex). There is no net County cost impact; however, we are recommending the deletion of 36.0 budgeted positions.
115. Approve a general fund appropriation adjustment that transfers \$265,000 from the Provisional Financing Uses budget unit to the Sheriff's Patrol budget unit for security services. There is no net County cost impact; however, we are recommending the addition of two (2.0) budgeted positions.
116. Approve a general fund appropriation adjustment that transfers \$287,000 from the Board of Supervisors' budget unit to the Sheriff's Patrol budget unit for security services at the East Los Angeles Civic Center. There is no net County cost impact; however, we are recommending the addition of four (4.0) budgeted positions.
117. Approve a general fund appropriation adjustment of \$60,000,000 for the Sheriff's Clearing Account budget unit fully offset by expenditure distribution to provide for centralized departmentwide purchases with the eCAPS Financial System as recommended by the Auditor-Controller. There is no net County cost impact and no position changes.

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118. Approve a general fund appropriation adjustment of \$438,000 for the Sheriff's Department that reflects realignment in various appropriation accounts between departmental budget units to fund positions at the Crime Assessment Center. There is no net County cost impact; however, we are recommending the addition of five (5.0) budgeted positions.
119. Approve a general fund appropriation adjustment for various Sheriff budget units that realign revenue of \$4,836,000 to reflect expected operating results. There is no net County cost impact and no position changes.

**State Realignment Sales Tax**

120. Approve a general fund revenue adjustment of \$39,065,000 that reallocates State Realignment Sales Tax revenue among departments to more closely align the use of the revenue with program costs. There is no net County cost impact and no position changes.

**Treasurer and Tax Collector**

121. Approve a general fund appropriation adjustment that transfers \$5,000,000 in one-time funding from the department's operating budget to the Designation for Treasurer-Tax Collector Warehouse. There is no net County cost impact and no position changes.

**SPECIAL FUNDS/SPECIAL DISTRICTS**

**Fire Department**

122. Approve a special district appropriation adjustment for the Fire Department's operating budgets that among other things supplements the Designation for Capital Projects by \$56,222,000 by transferring \$38,509,000 from the Appropriation for Contingency, reducing the Designation for Infrastructure by \$8,687,000 and increasing various revenue sources. Other ministerial adjustments are also included in this appropriation adjustment. There is no net County cost impact and no position changes.

**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

**Fire Department Del Valle Accumulated Capital Outlay (ACO) Fund**

123. Approve a special fund appropriation adjustment of \$4,081,000 for the Fire Department's Del Valle ACO Fund fully offset by revenue from the Homeland Security and Urban Area Security Initiative Grant for emergency equipment. There is no net County cost impact.

**Fire Department Helicopter ACO Fund**

124. Approve a special fund appropriation adjustment of \$10,728,000 for the Fire Department's Helicopter ACO Fund that realigns the fund's budget to facilitate the purchase of a new helicopter. There is no net County cost impact.

**Fire Department Developer Fee Fund**

125. Approve a special fund appropriation adjustment for the Fire Department's Developer Fee Area 2 Fund that transfers appropriation for contingency of \$435,000 and a reduction in other financing uses of \$283,000 to services and supplies for future fire station construction. There is no net County cost impact.

**Health Services LAC+USC Special Funds**

126. Approve a special fund appropriation adjustment for the Department of Health Services' LAC+USC Replacement Accumulated Capital Outlay Fund that increases fixed assets (equipment) by \$38,418,000 million, reduces appropriation for contingency by \$6,569,000 and cancel \$31,849,000 in designated funds. There is no net County cost impact.

**Health Services Measure B Special Fund**

127. Approve a special fund appropriation adjustment for the Department of Health Services' Measure B Fund that transfers \$9,300,000 from the Appropriation for Contingency to other charges. There is no net County cost impact.

**Information Technology Infrastructure Fund**

128. Approve a special fund appropriation adjustment of \$4,647,000 for the Information Technology Infrastructure Fund that reflects reallocation of FY 2006-07 carryover based on year-end closing figures. There is no net County cost impact.

**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

**Marina Replacement ACO Fund**

129. Approve a special fund appropriation adjustment for the Marina Replacement ACO Fund that transfers \$4,900,000 from services and supplies to other charges to purchase parcels 44 and 77 in Marina del Rey. There is no net County cost impact.

**Parks and Recreation Local Landscape Maintenance District**

130. Approve a special district appropriation adjustment for Parks and Recreation Local Landscape Maintenance District that cancels the designation for program expansion (\$891,000) and increases benefit assessment (\$560,000) to fund increases in appropriation of \$1,451,000. This adjustment is necessary to re-establish the District 2 Zone 47 Local Landscape Maintenance District due to the unanticipated delay in jurisdictional transfer to the City of Santa Clarita. There is no net County cost impact.

**Public Library ACO Fund**

131. Approve a special fund appropriation adjustment for the Public Library ACO Fund that cancels the designation for program expansion (\$385,000), reduces Appropriation for Contingency (\$565,000) and increases services and supplies (\$950,000). There is no net County cost impact.

**Public Works Consolidated Lighting District**

132. Approve a special district appropriation adjustment for the Department of Public Works Consolidated Lighting District No. 10049 that reflects a decrease in services and supplies appropriation of \$14,000 to increase the Designation for Unanticipated Utility Costs. There is no net County cost impact.

**Public Works Flood Control District**

133. Approve a special district appropriation adjustment for the Department of Public Works Flood Control District that reflects changes in the Designation for Termino Avenue Drain of \$9,000,000. There is no net County cost impact.

**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

**Public Works Waterworks District**

134. Approve a proprietary fund appropriation adjustment for the Department of Public Works Waterworks District that decreases appropriation for contingency of \$42,000 and the Designation for Water System Improvement of \$58,000 to increase services and supplies of \$100,000 in order to replace and upgrade the pump station at Waterworks District No. 21 at Kagel Canyon. There is no net County cost impact.

**Asset Development Implementation Fund**

135. Approve a Special Fund appropriation adjustment of \$4,945,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures. There is no net County cost impact.

**Regional Park and Open Space District**

136. Approve a Special Fund appropriation adjustment of \$134,756,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures. There is no net County cost impact.

**Civic Art**

137. Approve a Special Fund appropriation adjustment of \$1,060,000 that reflects the reallocation of appropriation and revenue into separate units for accounting and expenditure tracking purposes. There is no net County cost impact.

**Criminal Justice Facilities Temporary Construction Fund**

138. Approve a Special Fund appropriation adjustment of \$1,195,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures. There is no net County cost impact.

139. This budget adjustment number is not being used.

**Capital Project - Fire Department**

140. Approve a Special Fund appropriation adjustment of \$9,206,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures for Fire Department related improvements. There is no net County cost impact.

**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

**Capital Project - Public Works**

141. Approve a Flood Fund appropriation adjustment of \$125,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures for flood related improvements. There is no net County cost impact.

**GAP Loan**

142. Approve a Special Fund appropriation adjustment of \$1,985,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures. There is no net County cost impact.

**Health Facilities**

143. Approve a Special Fund appropriation adjustment of \$24,799,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures related to health capital improvements. There is no net County cost impact.

144. This budget adjustment number is not being used.

**LAC+USC Medical Center Replacement**

145. Approve a Special Fund appropriation adjustment of \$11,896,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures. There is no net County cost impact.
146. Approve a Special Fund appropriation adjustment of \$50,272,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures. There is no net County cost impact.

**Marina Del Rey**

147. Approve a Special Fund appropriation adjustment of \$798,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures for marina related capital improvements. There is no net County cost impact.

**Mission Canyon Landfill**

148. Approve a Special Fund appropriation adjustment of \$7,427,000 that reflects reallocation of FY 2006-07 carryover based on year-end closing figures for maintenance of the landfill. There is no net County cost impact.

**COUNTY OF LOS ANGELES  
SUPPLEMENTAL BUDGET RECOMMENDATIONS  
FISCAL YEAR 2007-08**

149. This budget adjustment number is not being used.

SUPPLEMENTAL BUDGET RECOMMENDATIONS - ATTACHMENT

## COUNTY OF LOS ANGELES

## request for appropriation adjustment

Dept's. No. 060

department of CHIEF EXECUTIVE OFFICE

October 12, 2007

Auditor-Controller.

the following appropriation adjustment is deemed necessary by this department. will you please report as to accounting and available balances and forward to the Chief Executive Officer for his recommendation or action.

## ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2007-08

4 - VOTES

SOURCES

SEE ATTACHED

USES

SEE ATTACHED

JUSTIFICATION

This budget adjustment is necessary to decrease the Department of Health Services' use of funds from the Enterprise fund Designation by \$3.711 million, and to make other necessary adjustments to certain appropriations and revenues based on changing financial needs for various budget units.

CEO

ADOPTED

BOARD OF SUPERVISORS  
CITY OF LOS ANGELES

Chief Executive Officer's Report

# 52

OCT 16 2007

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Referred to the Chief  
Executive Officer for --

action

Approved as Requested

as Revised

✓  
Recommendation

OCT 19 2007 *D. Jensen*  
Chief Executive Officer

auditor-controller

by

approved (as revised):  
board of supervisors

20

no. 5156

OCT 19 2007

by

deputy county clerk



**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:****LAC+USC Healthcare Network**

MN4-HG-92-9416-60010  
Safety Net Care Pool  
Increase Revenue

\$ 3,837,000

MN4-HG-96-9912-60010  
Operating Subsidy - Gen Fd  
Increase Revenue

17,536,000

**Total LAC + USC Healthcare Network**

**\$ 21,373,000**

**Coastal Network**

MN1-HH-92-9433-60020  
Medi-Cal  
Increase Revenue

\$ 1,749,000

MN1-HH-92-9416-60020  
SNCP  
Increase Revenue

1,127,000

MN1-HH-96-9911-60020  
Operating Transfers In  
Increase Revenue

1,749,000

MN1-HH-96-9912-60020  
Operating Subsidy - Gen Fd  
Increase Revenue

15,130,000

**Total Coastal Network**

**\$ 19,755,000**

**Southwest Network**

MN5-HK-1000-60030  
Salaries & Employee Benefits  
Decrease Appropriation

\$ 63,565,000

MN5-HK-2000-60030  
Services & Supplies  
Decrease Appropriation

57,534,000

MN5-HK-92-9307-60030  
Cost Based Reimburse Clinic  
Increase Revenue

30,398,000

MN5-HK-94-9679-60030  
Miscellaneous Ongoing  
Increase Revenue

7,000

MN5-HK-92-9417-60030  
SB 855  
Increase Revenue

83,320,000

**USES:****LAC+USC Healthcare Network**

MN4-HG-92-9417-60010  
SB 855  
Decrease Revenue

\$ 17,942,000

MN4-HG-96-9911-60010  
Operating Transfers In  
Decrease Revenue

3,431,000

**Total LAC + USC Healthcare Network**

**\$ 21,373,000**

**Coastal Network**

MN1-HH-1000-60020  
Salaries & Employee Benefits  
Increase Appropriation

\$ 10,493,000

MN1-HH-92-9417-60020  
SB 855  
Decrease Revenue

7,396,000

MN1-HH-96-9910-60020  
Operating Transf In/Meas B  
Decrease Revenue

1,866,000

**Total Coastal Network**

**\$ 19,755,000**

**Southwest Network**

MN5-HK-92-9433-60030  
Medi-Cal  
Decrease Revenue

\$ 31,391,000

MN5-HK-92-R221-60030  
Medi-Cal AB 915  
Decrease Revenue

3,909,000

MN5-HK-92-9426-60030  
CHP Medi-Cal  
Decrease Revenue

1,531,000

MN5-HK-92-R212-60030  
Medi-Cal HMO  
Decrease Revenue

4,440,000

MN5-HK-92-9417-60030  
SB 855  
Decrease Revenue

54,292,000

MN5-HK-92-9416-60030  
Safety Net Care Pool  
Decrease Revenue

32,713,000

MN5-HK-88-8757-60030  
SB 1732 Revenue  
Decrease Revenue

2,023,000

MN5-HK-92-9435-60030  
Medicare  
Decrease Revenue

17,324,000

MN5-HK-92-943A-60030  
Medicare HMO  
Decrease Revenue

505,000

MN5-HK-92-9423-60030  
Hospital Self-Pay Collect  
Decrease Revenue

280,000

**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:****Southwest Network (continued)**

**Total Southwest Network** \$ 234,824,000

**Rancho Los Amigos National Rehabilitation Center**

MN7-HR-92-9433-60040  
Medi-Cal \$ 4,250,000  
Increase Revenue

MN7-HR-96-9912-60040  
Operating Subsidy - Gen Fd 7,436,000  
Increase Revenue

**Total Rancho Los Amigos Nat. Rehab. Center** \$ 11,686,000

**Valley Care Network (OV/UCLA, CHC/HC's, & HDHS)**

MN3-HO-92-9433-60050  
Medi-Cal \$ 2,387,000  
Increase Revenue

MN3-HO-92-9416-60050  
Safety Net Care Pool 2,087,000  
Increase Revenue

MN3-HO-96-9912-60050  
Operating Subsidy - Gen Fd 1,488,000  
Increase Revenue

**Total Valley Care Network** \$ 5,962,000

**DHS Enterprise Fund**

MN2-HS-6100-60070  
Other Financing Uses \$ 3,711,000  
Decrease Appropriation

**Total DHS Enterprise Fund** \$ 3,711,000

**Total Enterprise Fund** \$ 297,311,000

**USES:****Southwest Network (continued)**

MN5-HK-92-9419-60030  
Hospital Insurance Collection 7,884,000  
Decrease Revenue

MN5-HK-92-942A-60030  
CHP-In-Home-Supportive-Services 1,329,000  
Decrease Revenue

MN5-HK-88-R206-60030  
CHP-Healthy Families 12,000  
Decrease Revenue

MN5-HK-88-8863-60030  
Patient Fin Serv Wrks 1,239,000  
Decrease Revenue

MN5-HK-88-8755-60030  
State Calif Children 119,000  
Decrease Revenue

MN5-HK-90-9001-60030  
Federal-Other 255,000  
Decrease Revenue

MN5-HK-96-9910-60020  
Operating Transf In/Meas B 23,134,000  
Decrease Revenue

MN5-HK-96-9912-60030  
Operating Subsidy - Gen Fd 52,444,000  
Decrease Revenue

**Total Southwest Network** \$ 234,824,000

**Rancho Los Amigos National Rehabilitation Center**

MN7-HR-92-9417-60040  
SB 855 \$ 7,582,000  
Decrease Revenue

MN7-HR-92-9416-60040  
Safety Net Care Pool 4,104,000  
Decrease Revenue

**Total Rancho Los Amigos Nat. Rehab. Center** \$ 11,686,000

**Valley Care Network (OV/UCLA, CHC/HC's, & HDHS)**

MN3-HO-92-9417-60050  
SB 855 \$ 3,933,000  
Decrease Revenue

MN3-HO-96-9911-60050  
Operating Transf In 2,029,000  
Decrease Revenue

**Total Valley Care Network** \$ 5,962,000

**DHS Enterprise Fund**

MN2-HS-3078-60070  
Designation for DHS \$ 3,711,000  
Increase Designation

**Total DHS Enterprise Fund** \$ 3,711,000

**Total Enterprise Fund** \$ 297,311,000

**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:**  
**General Fund**

**General Fund Subsidy - (Southwest Network)**

AO1-AC-6100-21200-21228	
Other Financing Uses	\$ 52,444,000
Decrease Appropriation	

Total General Fund Subsidies	<u>\$ 52,444,000</u>
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Total General Fund	<u>\$ 52,444,000</u>
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**Special Fund**

Measure B - Harbor/UCLA Medical Center	
BW9-HS-41010-41012-6100	\$ 1,866,000
Other Financing Uses	
Decrease Appropriation	

Measure B - King/Drew Medical Center	
BW9-HS-41010-41015-6100	23,134,000

Other Financing Uses	
Decrease Appropriation	

Total Special Fund	<u>\$ 25,000,000</u>
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Total Department	<u>\$ 374,755,000</u>
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**USES:**

**General Fund**

AO1-3096	
Des-HS-Tobacco Settlement	\$ 10,854,000
Increase Designation	

**General Fund Subsidy - (LAC+USC Hithcare Network)**

AO1-AC-6100-21200-21224	
Other Financing Uses	\$ 17,536,000
Increase Appropriation	

**General Fund Subsidy - (Coastal Network)**

AO1-AC-6100-21200-21226	
Other Financing Uses	15,130,000
Increase Appropriation	

**General Fund Subsidy - (RLANRC)**

AO1-AC-6100-21200-21230	
Other Financing Uses	7,436,000
Increase Appropriation	

**General Fund Subsidy - (Valley Care Network)**

AO1-AC-6100-21200-21232	
Other Financing Uses	1,488,000
Increase Appropriation	

	<u>\$ 41,590,000</u>
--	----------------------

	<u>\$ 52,444,000</u>
--	----------------------

**Special Fund**

Measure B - Special Tax Fund	
BW9-HS-3303	\$ 25,000,000
Appropriation for Contingency	
Increase Appropriation	

	<u>\$ 25,000,000</u>
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	<u>\$ 374,755,000</u>
--	-----------------------

**Noted & Approved:**

---

Mason Matthews, Acting Controller  
Department of Health Services

PINK

76R 352M 11/83

BOARD OF  
SUPERVISORS  
OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICE

DEPT'S.  
No. 060

SEPT 25 2007

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2007-08

4 - VOTES

SOURCES

SEE ATTACHED

SUMMARY TOTAL: \$392,272,000

USES

SEE ATTACHED

SUMMARY TOTAL: \$392,218,000

JUSTIFICATION

This budget adjustment is necessary to decrease the Department of Health Services' use of funds from the Enterprise Fund Designation by \$30.471 million, and to make other necessary adjustments to certain appropriations and revenues based on changing financial needs for various budget units.

CAO 231

**ADOPTED**

CHIEF EXECUTIVE OFFICER'S REPORT

BOARD OF SUPERVISORS

# 52

OCT 16 2007

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

REFERRED TO THE CHIEF  
EXECUTIVE OFFICER FOR --

ACTION

APPROVED AS REQUESTED

AS REVISED

RECOMMENDATION

Sept. 21, 2007

CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER

BY

APPROVED (AS REVISED):  
BOARD OF SUPERVISORS

20

NO.

596

SEP 21

2007

BY

DEPUTY COUNTY CLERK

SEND 6 COPIES TO THE AUDITOR-CONTROLLER

**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:**

<b>✓ LAC+USC Healthcare Network</b>	
✓ MN4-HG-5350-60010	
✓ S&S Expenditure Distribution	\$ 15,067,000 ✓
✓ Decrease Appropriation	
✓ MN4-HG-92-9433-60010	
✓ Medi-Cal	✓ 12,531,000
✓ Increase Revenue	
✓ MN4-HG-92-9307-60010	
✓ Cost Based Reimburse Clinic	✓ 2,857,000
✓ Increase Revenue	
✓ MN4-HG-92-9417-60010	
✓ SB 855	✓ 18,694,000
✓ Increase Revenue	
✓ MN4-HG-92-9423-60010	
✓ Hospital Self-Pay Collect	✓ 3,000
✓ Increase Revenue	
✓ MN4-HG-90-9001-60010	
✓ Federal-Other	✓ 3,821,000
✓ Increase Revenue	
✓ MN4-HG-92-9820-60010	
✓ Mental Hlth/Pat Care/Non Ffp	✓ 1,967,000
✓ Increase Revenue	
✓ MN4-HG-92-R134-60010	
✓ Dept of Children's Svcs	✓ 186,000
✓ Increase Revenue	
✓ MN4-HG-94-9679-60010	
✓ Miscellaneous Ongoing	✓ 1,790,000
✓ Increase Revenue	
✓ <b>Total LAC+USC Healthcare Network</b>	✓ <b>\$ 56,916,000 ✓</b>

**USES:**

<b>✓ LAC+USC Healthcare Network</b>	
✓ MN4-HG-1000-60010	
✓ Salaries & Employee Benefits	\$ ✓ 1,705,000
✓ Increase Appropriation	
✓ MN4-HG-2000-60010	
✓ Services & Supplies	✓ 29,104,000
✓ Increase Appropriation	
✓ MN4-HG-6030-60010	
✓ Fixed Assets-Equipment	✓ 284,000
✓ Increase Appropriation	
✓ MN4-HG-96-9911-60010	
✓ Operating Transfers In	✓ 13,773,000
✓ Decrease Revenue	
✓ MN4-HG-96-9912-60010	
✓ Operating Subsidy - Gen Fd	✓ 11,390,000
✓ Decrease Revenue	
✓ MN4-HG-92-9825-60010	
✓ Other Gen Fund Dept	✓ 660,000
✓ Decrease Revenue	
✓ <b>Total LAC+USC Healthcare Network</b>	✓ <b>\$ 56,916,000 ✓</b>

<b>✓ Coastal Network</b>	
✓ MN1-HH-92-9433-60020	
✓ Medi-Cal	\$ ✓ 5,446,000
✓ Increase Revenue	
✓ MN1-HH-92-9307-60020	
✓ Cost Based Reimburse Clinic	✓ 1,257,000
✓ Increase Revenue	
✓ MN1-HH-92-9417-60020	
✓ SB 855	✓ 7,045,000
✓ Increase Revenue	
✓ MN1-HH-92-9435-60020	
✓ Medicare	✓ 3,428,000
✓ Increase Revenue	
✓ MN1-HH-92-9423-60020	
✓ Hospital Self-Pay Collect	✓ 9,000
✓ Increase Revenue	
✓ MN1-HH-92-9419-60020	
✓ Hospital Insurance Collection	✓ 86,000
✓ Increase Revenue	
✓ MN1-HH-90-9001-60020	
✓ Federal-Other	✓ 1,512,000
✓ Increase Revenue	
✓ MN1-HH-92-9825-60020	
✓ Other Gen Fund Dept	✓ 123,000
✓ Increase Revenue	

<b>✓ Coastal Network</b>	
✓ MN1-HH-1000-60020	
✓ Salaries & Employee Benefits	\$ ✓ 10,621,000
✓ Increase Appropriation	
✓ MN1-HH-2000-60020	
✓ Services & Supplies	✓ 10,224,000
✓ Increase Appropriation	
✓ MN1-HH-5500-60020	
✓ Other Charges	✓ 577,000
✓ Increase Appropriation	
✓ MN1-HH-6030-60020	
✓ Fixed Assets-Equipment	✓ 256,000
✓ Increase Appropriation	
✓ MN1-HH-96-9911-60020	
✓ Operating Transfers In	✓ 5,891,000
✓ Decrease Revenue	

BA # 596

185

**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:****✓ Coastal Network (continued)**

✓ MN1-HH-96-9912-60020  
✓ Operating Subsidy - Gen Fd ✓ 7,813,000  
✓ Increase Revenue

✓ MN1-HH-92-9461-60020  
✓ Other Charges for Services ✓ 850,000  
✓ Increase Revenue

✓ **Total Coastal Network** **\$ ✓ 27,569,000 ✓**

**✓ Southwest Network**

✓ MN5-HK-1000-60030  
✓ Salaries & Employee Benefits \$ ✓ 4,326,000  
✓ Decrease Appropriation

✓ MN5-HK-92-9433-60030  
✓ Medi-Cal ✓ 4,210,000  
✓ Increase Revenue

✓ MN5-HK-92-9307-60030  
✓ Cost Based Reimburse Clinic ✓ 936,000  
✓ Increase Revenue

✓ MN5-HK-92-9825-60030  
✓ Other Gen Fund Dept ✓ 17,000  
✓ Increase Revenue

✓ MN5-HK-96-9912-60030  
✓ Operating Subsidy - Gen Fd ✓ 12,615,000  
✓ Increase Revenue

✓ **Total Southwest Network** **\$ ✓ 22,104,000 ✓**

**Rancho Los Amigos National Rehabilitation Center**

✓ MN7-HR-92-9433-60040  
✓ Medi-Cal \$ ✓ 5,447,000  
✓ Increase Revenue

✓ MN7-HR-92-9417-60040  
✓ SB 855 ✓ 4,690,000  
✓ Increase Revenue

✓ MN7-HR-92-9423-60040  
✓ Hospital Self-Pay Collect ✓ 24,000  
✓ Increase Revenue

✓ MN7-HR-92-9419-60040  
✓ Hospital Insurance Collection ✓ 224,000  
✓ Increase Revenue

✓ MN7-HR-92-9812-60040  
✓ Hlth Svcs-Pub Hlth Pgm ✓ 14,000  
✓ Increase Revenue

✓ MN7-HR-94-9679-60040  
✓ Miscellaneous Ongoing ✓ 250,000  
✓ Increase Revenue

✓ MN7-HR-96-9912-60040  
✓ Operating Subsidy - Gen Fd ✓ 13,448,000  
✓ Increase Revenue

✓ **Total Rancho Los Amigos Nat. Rehab. Center** **\$ ✓ 24,097,000 ✓**

**USES:****Coastal Network (continued)****Southwest Network**

✓ MN5-HK-2000-60030  
✓ Services & Supplies \$ ✓ 11,959,000  
✓ Increase Appropriation

✓ MN5-HK-92-9417-60030  
✓ SB 855 ✓ 9,151,000  
✓ Decrease Revenue

✓ MN5-HK-96-9911-60030  
✓ Operating Transfers In ✓ 994,000  
✓ Decrease Revenue

✓ **Total Southwest Network** **\$ ✓ 22,104,000 ✓**

**✓ Rancho Los Amigos National Rehabilitation Center**

✓ MN7-HR-1000-60040  
✓ Salaries & Employee Benefits \$ ✓ 9,720,000  
✓ Increase Appropriation

✓ MN7-HR-2000-60040  
✓ Services & Supplies ✓ 9,200,000  
✓ Increase Appropriation

✓ MN7-HR-6030-60040  
✓ Fixed Assets-Equipment ✓ 239,000  
✓ Increase Appropriation

✓ MN7-HR-92-9435-60040  
✓ Medicare ✓ 987,000  
✓ Decrease Revenue

✓ MN7-HR-96-9911-60040  
✓ Operating Transfers In ✓ 3,951,000  
✓ Decrease Revenue

✓ **Total Rancho Los Amigos Nat. Rehab. Center** **\$ ✓ 24,097,000 ✓**

2075

**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:****✓ Valley Care Network (OV/UCLA, CHC/HC's, & HDHS)**

✓ MN3-HO-1000-60050	
✓ Salaries & Employee Benefits	\$ ✓ 236,000
✓ Decrease Appropriation	
✓ MN3-HO-92-9433-60050	
✓ Medi-Cal	✓ 3,060,000
✓ Increase Revenue	
✓ MN3-HO-92-9307-60050	
✓ Cost Based Reimburse Clinic	✓ 1,914,000
✓ Increase Revenue	
✓ MN3-HO-92-9417-60050	
✓ SB 855	✓ 4,123,000
✓ Increase Revenue	
✓ MN3-HO-90-9001-60050	
✓ Federal-Other	✓ 1,527,000
✓ Increase Revenue	
✓ MN3-HO-92-9825-60050	
✓ Other Gen Fund Dept	✓ 239,000
✓ Increase Revenue	
✓ MN3-HO-96-9912-60050	
✓ Operating Subsidy - Gen Fd	✓ 123,000
✓ Increase Revenue	
✓ MN3-HO-92-9461-60050	
✓ Other Charges for Services	✓ 313,000
✓ Increase Revenue	
✓ <b>Total Valley Care Network</b>	<b>\$ ✓ 11,535,000 ✓</b>

**✓ DHS Enterprise Fund**

✓ MN2-HS-3048-60070	
✓ Designation for DHS MLK-H	\$ ✓ 5,770,000
✓ Decrease Designation	
✓ MN2-HS-3081-60070	
✓ Designation for DHS Rancho	✓ 7,788,000
✓ Decrease Designation	
✓ MN2-HS-6100-60070	
✓ Other Financing Uses	✓ 30,471,000
✓ Decrease Appropriation	

✓ **Total DHS Enterprise Fund** ✓ **\$ 44,029,000 ✓**

✓ **Total Enterprise Fund** ✓ **\$ 186,250,000 ✓**

**✓ Health Services Administration**

✓ AO1-HS-1000-20000	
✓ Salaries & Employee Benefits	\$ ✓ 1,756,000
✓ Decrease Appropriation	
✓ AO1-HS-6030-20000	
✓ Fixed Assets-Equipment	✓ 2,000,000
✓ Decrease Appropriation	
✓ AO1-HS-6800-20000	
✓ Intrafund Transfers-(HS Office of Managed Care)	✓ 1,000
✓ Decrease Appropriation	
✓ AO1-HS-92-9803-20000	
✓ Harbor General Hospital	✓ 21,000
✓ Increase Revenue	

**USES:****✓ Valley Care Network (OV/UCLA, CHC/HC's, & HDHS)**

✓ MN3-HO-2000-60050	
✓ Services & Supplies	\$ ✓ 5,648,000
✓ Increase Appropriation	
✓ MN3-HO-6030-60050	
✓ Fixed Assets-Equipment	✓ 25,000
✓ Increase Appropriation	
✓ MN3-HO-96-9911-60050	
✓ Operating Transfers In	✓ 5,862,000
✓ Decrease Revenue	

**✓ DHS Enterprise Fund**

✓ MN2-HS-3078-60070	
✓ Designation for DHS	\$ ✓ 44,029,000
✓ Increase Designation	

**✓ Health Services Administration**

✓ AO1-HS-2000-20000	
✓ Services & Supplies	\$ ✓ 3,652,000
✓ Increase Appropriation	
✓ AO1-HS-92-9419-20000	
✓ Hospital Insurance Collection	✓ 200,000
✓ Decrease Revenue	

375

**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:**

✓ **Health Services Administration (continued)**

✓ A01-HS-92-9807-20000  
✓ LAC High Desert Hospital ✓ 3,000  
✓ Increase Revenue

✓ A01-HS-92-9804-20000  
✓ LAC+USC Med Ctr ✓ 38,000  
✓ Increase Revenue

✓ A01-HS-92-9806-20000  
✓ MLK Jr/Drew Med Ctr ✓ 17,000  
✓ Increase Revenue

✓ A01-HS-92-9808-20000  
✓ Olive View Med Ctr ✓ 13,000  
✓ Increase Revenue

✓ A01-HS-92-9809-20000  
✓ Rancho Los Amigos Hosp ✓ 7,000  
✓ Increase Revenue

✓ **Total Health Services Administration** \$ ✓ 3,856,000 ✓

✓ **Office of Managed Care**

✓ A01-HP-2000-19975  
✓ Services & Supplies \$ ✓ 73,000  
✓ Decrease Appropriation

✓ **Total Office of Managed Care** \$ ✓ 73,000 ✓

✓ **Juvenile Court Health Services**

✓ A01-HJ-1000-20600  
✓ Salaries & Employee Benefits \$ ✓ 131,000  
✓ Decrease Appropriation

✓ **Total Juvenile Court Health Services** \$ ✓ 131,000 ✓

✓ **Provisional Financing Uses**

✓ A01-BS-2000-13749-13760  
✓ PFU-Services & Supplies \$ ✓ 54,000  
✓ Decrease Appropriation

✓ **General Fund**

✓ A01-3073  
✓ Designation for Health Future Financing  
✓ Requirements \$ ✓ 97,000,000  
✓ Decrease Designation

✓ A01-3096  
✓ Des-HS-Tobacco Settlement \$ ✓ 49,978,000  
✓ Decrease Designation

**USES:**

✓ **Health Services Administration (continued)**

✓ **Office of Managed Care**

✓ A01-HP-1000-19975  
✓ Salaries & Employee Benefits \$ ✓ 73,000  
✓ Increase Appropriation

✓ A01-HP-92-9426-19975  
✓ CHP Medi-Cal (Managed Care Rate Supplement) ✓ 48,900,000  
✓ Decrease Revenue

✓ **Total Office of Managed Care** \$ ✓ 48,973,000 ✓

✓ **Vehicle License Fees**

✓ **VLF-Vehicle Realignment**  
✓ A01-ND-88-8716-10591  
✓ St-Vehicle License Fee - AB1288 ✓ \$ 10,854,000  
✓ Decrease Revenue

✓ **Contrib to Oth Govt-IGT**

✓ A01-HS-5500-5926-19976  
✓ ~~Contrib to Oth Govt-IGT~~ **OTHER CHARGES** \$ ✓ 64,750,000  
✓ Increase Appropriation

475



**DEPARTMENT OF HEALTH SERVICES  
SUPPLEMENTAL BUDGET ADJUSTMENT  
FISCAL YEAR 2007-08**

**4-VOTE**

**SOURCES:**

✓ **General Fund Subsidy - (LAC+USC Hlthcare Network)**  
 ✓ AO1-AC-6100-21224  
 ✓ Operating Transfers Out \$ ✓ 11,390,000  
 ✓ Decrease Appropriation

✓ **Total General Fund Subsidies** ✓ \$ 11,390,000 ✓

✓ **Total General Fund** ✓ \$ 162,482,000 ✓

✓ **Med Center Repl Fund-J17-Reversing entries**

✓ Project and Facility Development  
 ✓ AO1-PF-6100-10190  
 ✓ Operating Transfers Out \$ ✓ 21,770,000  
 ✓ Decrease Appropriation

✓ **Med Center Repl Fund-J17-Correcting entries**

✓ General Fund  
 ✓ AO1-3077  
 ✓ Des for CP and Extraord Maint ✓ 21,770,000  
 ✓ Decrease Designation

✓ **Total Med Center Repl Fund-J17** ✓ \$ 43,540,000 ✓

✓ **Total Department** ✓ \$ 392,272,000 ✓

**USES:**

✓ **General Fund Subsidy - (Coastal Network)**

✓ AO1-AC-6100-21226  
 ✓ Operating Transfers Out \$ ✓ 7,813,000  
 ✓ Increase Appropriation

✓ **General Fund Subsidy - (Southwest Network)**

✓ AO1-AC-6100-21228  
 ✓ Operating Transfers Out ✓ 12,615,000  
 ✓ Increase Appropriation

✓ **General Fund Subsidy - (RLANRC)**

✓ AO1-AC-6100-21230  
 ✓ Operating Transfers Out ✓ 13,448,000  
 ✓ Increase Appropriation

✓ **General Fund Subsidy - (Valley Care Network)**

✓ AO1-AC-6100-21232  
 ✓ Operating Transfers Out ✓ 123,000  
 ✓ Increase Appropriation

\$ ✓ 33,999,000 ✓

\$ ✓ 162,428,000 ✓

✓ **Med Center Repl Fund-J17-Reversing entries**

✓ General Fund  
 ✓ AO1-3077  
 ✓ Des for CP and Extraord Maint \$ ✓ 21,770,000  
 ✓ Increase Designation

✓ **Med Center Repl Fund-J17-Correcting entries**

✓ Ent-Sub LAC+USC Repl Proj  
 ✓ AO1-AC-6100-21200-21238  
 ✓ Operating Transfers Out ✓ 21,770,000  
 ✓ Increase Appropriation

\$ ✓ 43,540,000 ✓

\$ ✓ 392,218,000 ✓

**Noted & Approved:**

  
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**Mason Matthews, Acting Controller**  
**Department of Health Services**